

Assembly Bill No. 1928

Passed the Assembly July 3, 2014

Chief Clerk of the Assembly

Passed the Senate June 30, 2014

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2014, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to add Section 25600.3 to the Business and Professions Code, relating to alcoholic beverages.

LEGISLATIVE COUNSEL'S DIGEST

AB 1928, Bocanegra. Alcoholic beverages: coupons: beer.

(1) The Alcoholic Beverage Control Act prohibits any licensee from giving any premium, gift, or free goods in connection with the sale or distribution of any alcoholic beverage, except as specifically authorized. The act provides that a violation of any of its provisions for which another penalty or punishment is not specifically provided is a misdemeanor.

This bill would prohibit a beer manufacturer or a beer wholesaler from offering, funding, producing, sponsoring, promoting, furnishing, or redeeming any type of coupon. The bill would also prohibit a licensee authorized to sell alcoholic beverages at retail from accepting, redeeming, possessing, or utilizing any type of coupon that is funded, produced, sponsored, promoted, or furnished by a beer manufacturer or beer wholesaler. The bill would define beer manufacturer and coupon for these purposes and would except from the definition of coupon certain rebates, coupons, and discounts. By expanding the definition of a crime by imposing additional duties on a licensee under the act, the bill would impose a state-mandated local program.

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

The people of the State of California do enact as follows:

SECTION 1. Section 25600.3 is added to the Business and Professions Code, to read:

25600.3. (a) A beer manufacturer or a beer wholesaler shall not offer, fund, produce, sponsor, promote, furnish, or redeem any type of coupon.

(b) A licensee authorized to sell alcoholic beverages at retail shall not accept, redeem, possess, or utilize any type of coupon that is funded, produced, sponsored, promoted, or furnished by a beer manufacturer or beer wholesaler.

(c) For purposes of this section:

(1) “Beer manufacturer” means a holder of a beer manufacturer’s license, a holder of an out-of-state beer manufacturer’s certificate, a holder of a beer and wine importer’s general license when selling beer, malt beverages, cider, or perry, or a winegrower that is a wholly owned subsidiary of a beer manufacturer.

(2) “Beer wholesaler” means a holder of a beer and wine wholesaler license when selling beer, malt beverages, cider, or perry.

(3) “Cider” has the same meaning set forth in Section 4.21(e)(5) of the Code of Federal Regulations.

(4) “Coupon” means any method by which a consumer receives an instant discount at the time of a purchase that is funded, produced, sponsored, promoted, or furnished, either directly or indirectly, by a beer manufacturer or beer and wine wholesaler, including, but not limited to, a paper coupon, a digital coupon, an instant redeemable coupon (IRC), or an electronic coupon commonly referred to as a scan or scanback. “Coupon” does not include:

(A) A mail-in rebate by which the consumer purchases an item and submits required information in order to receive a rebate or discount from the beer manufacturer.

(B) A coupon that is offered and funded by a distilled spirits manufacturer, distilled spirits importer general, distilled spirits importer, or distilled spirits wholesaler that offers a discount on the purchase of a distilled spirits product if beer, malt beverages, cider, or perry are not advertised in connection with the coupon.

(C) A coupon offered and funded by a winegrower, a wine rectifier, a wine blender, a beer and wine wholesaler, a beer and wine importer, a wine importer general, or a wine broker that offers a discount on the purchase of a wine product if beer, malt beverages, cider, or perry are not advertised in connection with the coupon.

(D) A discount that is offered and funded by a beer manufacturer on the purchase of beer, malt beverages, cider, or perry at the licensed premises of production or other licensed premises owned and operated by the beer manufacturer.

(5) “Perry” has the same meaning set forth in Section 4.21(e)(5) of the Code of Federal Regulations.

(6) “Wine wholesaler” means a holder of a beer and wine wholesaler license when selling wine.

SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

Approved _____, 2014

Governor